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TO: Council Member Gabriela Santiago-Romero

THRU: Council President Mary Sheffield

FROM: Nicole Sherard-Freeman, Group Executive

Jobs, Economy & Detroit at Work

DATE: March 20, 2023

RE: District Detroit Questions

GENERAL

1. During the Little Caesars Arena deal, Olympia Development made several promises about economic development. What were the terms of that agreement? Please draft a detailed report assessing and quantifying the extent to which those promises were kept?

Please see the attached "TDD Development Commitment Update" provided By Olympia to LPD on February 13, 2023.

2. What plans do the developers have to contract with local businesses for the retail components of the developments? What specific commitments have been made?

The Related-Olympia development partnership believes the most effective way to support the participation and sustainable success of disadvantaged, small retail businesses is through targeted programs that build capacity and reduce barriers to entry. Due to systemic disparities in access to capital and wealth, accessing sufficient funds for the buildout of retail space can be a major barrier to leasing and expansion for small, disadvantaged retail businesses. To address this critical barrier to entry, the developer and the NAC agreed to establish a fund to provide supplementary grants over and above the standard landlord tenant improvement allowance in order to reduce the cost of buildout for small, disadvantaged retail businesses. The City has also committed Motor City Match and District Business Liaison support for technical assistance, access to federal, state, and local small business resources, and to make an award to at least one business within the Impact Area in each round of ARPA funding for Motor City Match. Further, the developer has targeted a \$100M spend with disadvantaged businesses in Detroit over a 5-year period, with the expectation that buying-local will continue to be a cost advantage for business tenants located in District Detroit well beyond the terms of the Community Benefits Agreement.

3. What plans do the developers have to contract with Detroit-headquartered, minority-owned construction companies? And to staff full-time positions with Detroit residents? What specific commitments have been made?

As part of the Community Benefits Agreement, Related and Olympia have agreed to a \$100 million target for procurement of goods and services from disadvantaged and Detroit-based businesses. These represent a meaningful portion of the total development costs for the ten projects. They have also agreed to track and report on progress towards that spending target. The developer agreed to the target spend as a reflection of its commitment to economic inclusion and creating growth opportunities for disadvantaged businesses. The funds will be expended over the construction of the ten projects, which must happen in the next five years.

As a part of the Community Benefits Agreement, the Neighborhood Advisory Council (NAC) and the developer were particularly focused on programs that would build capacity to allow the developer to meet or exceed the 51% local workforce hiring requirement under Executive Order 2021-2. The developer will require all contractors, as part of their bid, to provide a plan for how they propose to comply with Executive Order 2021-2. In collaboration with Detroit at Work and the developer's contractors, the developer will help create a Fast Track Program that will provide paid pre-apprenticeship training, work experience, and skill training to Detroit residents. The developer will also fund and operate a Council on Construction Operations (COCO) program to increase retention of diverse construction employment through site professionalism and equity, diversity and inclusion policies and practices. Additionally, the developer will contract with a recruitment consultant that will implement policies to prioritize contracts with contractors and subcontractors who demonstrate an ability to meet workforce requirements.

4. What evidence do the developers have that additional office space downtown is needed? Studies have shown that most workplaces are not using as much office space as they used to, because of hybrid and remote work schedules.

Related and Olympia – along with the Administration – acknowledge the impacts that COVID-19 has had on office utilization, but remain optimistic that demand remains robust for the type of new office buildings proposed by this program. Many large, leading national employers including Amazon, Disney, and JP Morgan have all announced in recent months their re-commitment to inoffice work. Companies recognize that in-person work is critical for team-building, training, collaboration, and innovation. As a result, they are seeking new office space that supports those activities. The new office buildings the developer has proposed include amenities, systems, and design unavailable in older office space. They also offer a live-work-play neighborhood setting that is appealing to today's workforce. In order to remain competitive, support local retailers, and attract and retain top employers, Downtown Detroit needs new office space.

Based on data from CoStar, the average year built for all office space in Downtown, Midtown, and New Center Detroit was 1930. The average year built for Class A Office Space in downtown, midtown and New Center Detroit is 1977. A review of the median age of Class A office space across peer cities, Detroit has an outdated stock in comparison to Columbus (2001), Minneapolis (2000) and Nashville (2007). For Detroit to remain competitive with these and other cities, it will require new state-of-the-art Class A office inventory to attract anchor-style tenants.

5. In the case that the developer does not develop all 10 properties, what claw backs are available for the City to utilize?

Clawbacks are the appropriate remedy only when a developer receives funding or land assets on an up-front basis, prior to performance. The most classic example is the right of reversion of title, when land is sold with obligations to develop for a particular identified use.

That is not the case here. The incentives utilized by the developer are performance-based, which means if the developer does not develop a property, there will be no incentives for that property.

First, the 10 projects are consolidated into a single transformational brownfield plan (TBP). The TBP is a brownfield tax increment financing plan that reimburses only if the developer builds. If a constituent project is not developed, the property does not generate the incremental tax revenues from which the developer can seek reimbursement. Said another way, if the developer does not develop the property, there is nothing to claw back. The developer gets nothing from the TBP.

Similarly, tax abatements reduce the developer's tax burden only if the developer improves the property. If the developer does not build, there is nothing to abate.

The Community Benefits Provision Agreement is a binding and enforceable agreement between the City and the developer. As explained at the Thursday, March 16 sitting of the Planning & Economic Development Committee of City Council, the City has multiple paths to enforcement. First, under the terms of the Community Benefits Provision Agreement itself, the City has the right to enforce the agreement by a court order of specific performance. Second, the developer is expressly subject to the enforcement and mitigation processes in the Community Benefits Ordinance itself. That ordinance authorizes an enforcement committee to investigate complaints and make recommendations to Council. And City Council under the ordinance and its prerogatives has the power to take whatever enforcement actions it deems necessary.

6. With the recent nationwide banking crisis and an exacerbated economic crisis looming, and the mishaps with The Detroit Life Building Redevelopment Project during the 2008 recession. Please explain how the developers plan to ensure the 10 projects are completed.

The proposed development schedule is in line with the developer's expectations with respect to planning and design, market leasing, and procurement schedules. The developers have a track record of completing projects in adverse circumstances such as the COVID pandemic, when Related Companies was able to complete the 3 million square foot 50 Hudson Yards project on schedule and on budget. That said, externalities can have adverse and unforeseen impacts to development schedules. The developer will work to mitigate any challenges that arise and ultimately, all of the public incentives are only available to the developer at the time each project is constructed and completed. The risk sits with the private rather than the public sector.

7. Would the developer consider marketing the job opportunities, affordable housing, and business opportunities via billboard postage across the city?

Yes, the developer is considering billboard advertising to promote the opportunities unlocked by these developments. In particular, they envision a robust marketing plan for the affordable housing units, and expect billboard advertising is a potential strategy. Similarly, in partnership with Detroit at Work, it is anticipated that job opportunities will be advertised by billboard.

In consultation with the NAC, the developer also agreed to a number of strategies other than billboard to market job, housing, and procurement opportunities to Detroiters. For example, the developer will establish an On-Site Opportunity Connector to provide Detroit residents with a bricks and mortar storefront where they can be connected with construction and post-construction job opportunities, opportunities to rent affordable housing, and assist Detroit residents and Wayne County Community College District ("WCCCD") students in accessing employment, internship, construction, and cultural opportunities. The developer shall also use and participate in the City of Detroit's central online housing portal to advertise available affordable units at each affordable property. Finally, the developer will encourage its commercial tenants to hire qualified Detroit residents for available jobs, internships, and/or apprenticeships through Detroit at Work.

8. Many residents have expressed that 139 units would not be considered enough regarding affordable housing. Would the developer be willing to commit to 30% of the 695 units to be affordable?

Economic inclusion through affordability is a core value for the Related-Olympia developer partnership. As such, the planned developments will have an affordability commitment of 20% of all units restricted for renters earning 50% area median income (AMI) or below. In addition, the developer has agreed to also participate in the Section 8 HCV program, allowing for expanded affordability for residents from 30% to 50% AMI. Increasing the share of affordable units from 20% to 30% is not supported by the project underwriting and would require significantly more public support. However, the 139 units of affordable housing in the proposed projects before the City Council do not represent the total amount of affordable housing in The District Detroit. Across all of the District Detroit's residential projects that are completed, under construction, or

proposed, over 29% of the units will be affordable, representing 343 units with rents ranging from 20-80% AMI and an average affordability level of 57% AMI.

Affordability in the District Detroit				
Project Name	Total # of Units	# of Units Affordable	% of Units Affordable	Affordable Range
3rd & Charlotte	65	65	100%	20-80% AMI
Henry St	170	84	49%	30-60% AMI
150 Bagley	148	30	20%	80% AMI
2714 Second Ave	32	7	22%	20-60% AMI
Eddystone	92	18	20%	80% AMI
2250 Woodward	287	58	20%	50% AMI
408 Temple	131	27	21%	50% AMI
2205 Cass	261	54	21%	50% AMI
Total / Average	1,186	343	29%	57% AMI

9. Would the developer be able to commit to a biannual report every 6 months regarding updates of community benefits to display their sustained commitment to the community?

Yes. The Community Benefits Provision Agreement already requires reporting every 6 months at Section 4.

TRANSPORTATION DEMAND MANAGEMENT

There was communication with my office surrounding Transportation Demand Management (TDM) and its importance to the sustainability and environmental impact of this project. We understand there were conversations surrounding transportation and potential collaboration on the trip to Cornell Tech. Additionally, my office indicated several areas of TDM influence within the private sector such as:

- Transit
- Parking Management
- Carshare and Shared Fleets
- Carpool
- Electric Vehicle Charging
- Bikes and Scooters
- Urban Freight
- 1. Please provide an update on those conversations and how the inclusion of TDM is included in this project.
- 2. Please provide an update on the sustainability efforts incorporated in the project.

As part of the executed Community Benefits Agreement, the developer made the following transportation-related commitments:

- To fund a comprehensive traffic management plan to be completed in partnership with the City and a NAC liaison. The purpose of the plan is to address the traffic impacts of the District Detroit Development projects (both during and after construction), and events-related traffic at entertainment facilities within the impact area, namely the Little Caesars Arena, Comerica Park, and Ford Field. The Traffic Plan will also focus on pedestrian safety and mitigating the impacts of events-related traffic routing on area residents and businesses.
- To reimburse its employees who utilize mass transit or bike sharing to commute to and from work.
- To prohibit on-street parking for its construction workers.

Additionally, at the request of the NAC and the developer, the City agreed to install or replace 11 bus shelters on Woodward Avenue between Mack Avenue and Campus Martius.

With regard to sustainability, Related and Olympia's track records reflect their commitment to environmentally sustainable development practices. Little Caesars Arena is LEED Silver certified. Since developing one of the nation's first green residential high-rises in 2004 (LEED Gold), Related has committed to developing exclusively sustainable projects across a diverse array of asset classes. In 2009, Related was among the first developers to commit that every building it develops in the United States will be certified LEED Silver or higher. Related's deep commitment to sustainable design, extensive experience in green building and reputation for innovation has made it a go-to resource for green policy impact initiatives in multiple markets.

The projects in the Transformational Brownfield Plan are being designed to comply with the City's new stormwater ordinance. 2200 Woodward, the first building that is slated to break ground, is being designed to achieve at least a LEED Silver certification.

10:15 AM – PUBLIC HEARING – RE:

Establishing a Neighborhood Enterprise Zone as requested by Olympia Predevelopment Company, LLC in the area of 2250 Woodward Ave Detroit, MI in accordance with Public Act 147 of 1992.

1. What elements of this development would the NEZ tax abatement apply to? The report seems to have a mistake: it describes how a NEZ tax abatement would apply to the 2205 Cass development, rather than the 2250 Woodward Ave development, 2nd paragraph under "2250 Woodward Ave" is a copy of part of the report for the 10:05 AM public hearing.

The 10:15 A.M. public hearing described above relates to a resolution to create a Neighborhood Enterprise Zone for the property at 2250 Woodward Avenue. Any reference to 2205 Cass in LPD's report is errata. The proposed zone that is the subject of that particular public hearing does not include both properties.

Via other resolutions and associated public hearings, Related and Olympia have requested NEZ districts for the residential components of the following four projects: 2250 Woodward, 2205 Cass, 408 Temple, and 2210 Park.

10:25 AM – PUBLIC HEARING – RE:

Establishing a Commercial Rehabilitation District for Olympia Predevelopment LLC, in the area of 2200 Woodward Avenue, 2250 Woodward Avenue, 2211 Woodward Avenue, 2300 Woodward Avenue, 2305 Woodward Avenue, 2210 Park Avenue, Detroit, Michigan, in accordance with Public Act 210 of 2005 (Petition #2023-003).

1. What efforts are going to be made to preserve the original structure and façade of the Detroit Life Building?

The developer intends to renovate the Detroit Life Building in accordance with State Historic Preservation Office and National Parks Service standards for historic preservation.

2. What is the market rate for the apartments in the 2210 Park Ave development?

The rates for the apartments at 2210 Park Ave will be dependent on the final program, design, and prevailing market rents at the time of renovation for the project. The anticipated renovation would be in line with the top of market competitor, the Vinton.

3. What is the appraised value of the restaurant, theater, and outdoor dining area currently located at 2305 Woodward Ave?

Related-Olympia does not have a current appraised value of this property.

- a. Has an offer been made to buy the property from owners? What was the offer?
 - b. If the owners do not accept the offer, how will the Developers proceed?

Per the developer, this property is owned by an affiliate of Olympia Development so an internal conveyance will occur. There is no risk of the seller not consenting to the conveyance.

Submitting reso. autho. Terminating The Brownfield Plan of The City of Detroit Brownfield

Redevelopment Authority For The Detroit Life Building Redevelopment Project. (The Detroit Life Building Brownfield Redevelopment Plan (the "Plan") was approved by City Council more than two years ago on July 27, 2007. The legal descriptions for the subject Plan are attached (Exhibit A). At the special January 30, 2023 DBRA Board of Directors meeting, DBRA staff recommended termination of the Plan on the basis that the project had failed to occur with respect to the eligible property for at least two (2) years following the date of the Plan in accordance with Section 14(8)(b) of Act 381. The DBRA subsequently adopted a resolution (Exhibit B) approving the termination of the Plan and authorizing the submission of a copy of its resolution to request that City Council adopt a resolution terminating the Plan.)

1. The Developer plans to end this development plan and start another housing development plan using this property. With a historical economic crisis looming from Silicon Valley's collapse, how does the Developer plan to transform this property into housing?

The Developer anticipates capitalizing on the robust market demand for loft-style historic adaptive reuse apartments by leveraging the transformational brownfield plan and historic tax credits. With the support of these performance-based incentives, the Developer will be able return this vacant building to productive use.

Cc: Honorable Detroit City Council
Luke Polcyn, Deputy Group Executive, Jobs and Economy Team
Martha Potere, Jobs and Economy Team
José Lemus, Jobs and Economy Team
Louise Jones, City Clerk's Office
Malik Washington, City Council Liaison



TO: City of Detroit City Council Legislative Policy Division

FROM: John M. Valentine, VP and General Counsel, Olympia Development of Michigan

DATE: February 13, 2023

RE: Status of The District Detroit Development Commitments

The following is an update to the Legislative Policy Division regarding the various development commitments of Olympia Development of Michigan, L.L.C., or its affiliates (collectively, "Olympia"), to the Detroit Downtown Development Authority ("DDA") in The District Detroit.

1. <u>Master Development Agreement Obligations</u>: Pursuant to that certain Master Development and Reimbursement Agreement between the DDA and Olympia, dated as of December 11, 2014, as amended from time to time (the "MDA"), Olympia made the following development commitments (terms used but not defined herein having their respective meanings in the MDA):

a. Commitment to Invest \$200,000,000:

- Olympia committed to make, or cause others to make, a minimum investment of at least \$200,000,000 in "Eligible Costs" in the EC Ancillary Development Area, by September 12, 2022, five (5) years after the opening of Little Caesars Arena on September 12, 2017.
- Since then, Olympia has actually invested, or caused others to invest, over \$1,365,000,000 in Little Caesars Arena and other Projects within the EC Ancillary Development Area:
 - Little Caesars Arena: Per the CMA (described below) and associated bond financing documents, Olympia committed to construct Little Caesars Arena at a cost of approximately \$450,000,000, of which approximately \$284,750,000 was to be publicly funded, with the remaining \$165,250,000 to be privately funded by Olympia. However, the actual cost to construct Little Caesars Arena was approximately \$863,000,000, of which approximately \$320,750,000 was publicly funded (\$284,750,000 initial public investment, plus \$36,000,000 to fund the relocation of the Detroit Pistons), with the remaining \$542,250,000 privately funded by Olympia;
 - Mike Ilitch School of Business (described below): Accepted Development Plan as of July 29, 2016, with actual costs of

- approximately \$60,000,000 (of which \$40,000,000 were funded via a charitable donation from the Ilitch family);
- Little Caesars Global Resource Center (described below): Accepted Development Plan as of September 30, 2016, with actual costs of approximately \$152,500,000;
- Henry West Garage (described below): Accepted Development Plan as of September 30, 2016, with actual costs of approximately \$20,700,000;
- McLaren Garage (formerly known as "Tiger 2 Garage" or "D Garage"): Sub-Concession and Management Agreement as of March 29, 2017, with actual costs of approximately \$29,000,000;
- Temple West Garage (described below): Accepted Development Plan as of December 19, 2017, with actual costs of approximately \$24,200,000;
- Google Office Space at 52 Henry Street (described below): Accepted Development Plan as of December 20, 2017, with actual costs of approximately \$15,100,000;
- 2715 Woodward Avenue (described below): Accepted Development Plan as of June 27, 2018, with actual costs of approximately \$60,100,000;
- Former Eddystone Hotel (described below): Accepted Development Plan as of June 4, 2019, with actual costs of approximately \$40,000,000;
- The historic former United Artists Building at 150 Bagley is currently being restored by Detroit-based and Black-led Bagley Development Group and will bring 148 apartments, 20 percent of which will be designated as affordable housing, and street-level retail to the area around Grand Circus Park. This project has commenced, and has budgeted costs of approximately \$75,000,000;
- 2714 Second Avenue Residences, a renovation of residences to serve as transitional housing for residences of the Cass & Henry redevelopment during construction. This project has commenced, and has budgeted costs of approximately \$725,000; and
- The historic Women's City Club Building at 2110 Park Avenue has been restored and is awaiting occupancy by office and retail tenants. It

consists of approximately 48,000 gross square feet of office space and approximately 21,000 gross square feet of retail space. This project has commenced and has budgeted costs of approximately \$25,000,000.

- Moreover, Olympia anticipates that it will invest, or cause others to invest, approximately \$365,000,000 in the following currently planned projects:
 - The Cass & Henry redevelopment of seven historic buildings on a single, intact city block which will bring 170 new residential units, 84 of which would be set aside as deeply affordable housing, has earned LIHTC support and are expected to begin construction in 2023. This project has budgeted costs of approximately \$73,000,000; and
 - Little Caesars Arena Hotel on the "Hotel Block" (described below): Accepted Development Plan as of October 11, 2022, with budgeted costs of approximately \$264,000,000.

b. Commitment to Develop Woodward Frontage Sites:

- If each of the Woodward Properties (i.e., 2473, 2715, 2743, and 2771 Woodward) that were conveyed to Olympia by the DDA was not subject to an Accepted Development Plan by September 12, 2022, Olympia was required to reconvey the applicable Woodward Property to the DDA..
- As of July 29, 2016, the Woodward Properties known as 2743 Woodward and 2771 Woodward were subject to the Accepted Development Plan for the Mike Ilitch School of Business (described below).
- As of June 27, 2018, the Woodward Property known as 2715 Woodward was subject to the Accepted Development Plan for 2715 Woodward (described below).
- Olympia submitted prior to September 12, 2022, and as of October 12, 2022 per agreement of Olympia and the DDA, the Woodward Property known as 2473 Woodward Avenue was subject to the Accepted Development Plan for the Little Caesars Arena Hotel (described below), so this obligation has been satisfied.

c. Commitment to Develop Ancillary Development Properties:

- Pursuant to the MDA and the Ancillary Land Transfer Agreement, dated December 11, 2014, if each of the Ancillary Development Properties (consisting of various parcels located along Third and Fourth Streets between Ledyard Street and Charlotte Street, two parcels within the "Hotel Block"

described below, and three parcels on Park Avenue between Sproat Street and Temple Street), that were conveyed to Olympia by the DDA, is not subject to an Accepted Development Plan by September 12, 2023, Olympia is required to reconvey the applicable Ancillary Development Property to the DDA with the DDA paying the same purchase price that Olympia paid for the relevant parcel.

- As of December 19, 2017, the Ancillary Development Property known as 2723 Park was subject to the Accepted Development Plan for Temple West Garage (described below).
- As of October 12, 2022, the Ancillary Development Properties known as 54 W. Fisher and 83 Henry were subject to an Accepted Development Plan for the Little Caesars Arena Hotel (described below).
- Olympia has until September 12, 2023 to agree with the DDA upon Accepted Development Plans for the remaining Ancillary Development Parcels.

d. Commitment to Redevelop the former Eddystone Hotel:

- Pursuant to the First Amendment to MDA dated April 22, 2015, Olympia committed to "redevelop, or cause an Affiliate or another party to redevelop, the Eddystone Hotel for commercial and residential use with a 20 percent affordable housing component and including restoration of the building facades in compliance with established procedures and processes relative to historic structures per applicable Federal, State and City law."
- Pursuant to the Fifth Amendment to MDA dated June 4, 2019, because redevelopment had not commenced, Olympia and the DDA established certain milestones relative to development that Olympia needed to meet and required Olympia to deliver a \$33M letter of credit as security for its obligation to complete the redevelopment of the building per the terms set forth in the Fifth Amendment.
- This Project is complete; all milestones in the Fifth Amendment were met, the letter of credit was returned, the 92 residential units (20 percent of which are designaged as affordable housing) are fully leased, the restaurant is open, and Olympia has closed its historic tax credit transaction.
- Project Specific Development Agreement Obligations: Pursuant to those various Project Specific Development Agreements between the DDA and Olympia, described below, Olympia made the following development commitments and pursued the following developments, despite the continuously changing market for real estate development, changing opportunities and economic downturns (terms used but not defined herein having their respective meanings in the PSDAs):

a. Wayne State University Mike Ilitch School of Business:

- 2771 Woodward Avenue
- Project Specific Development Agreement with the DDA dated July 29, 2016, for the Wayne State University Business School, included classrooms, offices, administrative space, a library, an auditorium, a small café, parking, and related spaces found in a first-class business school
- Approximately 120,000 square feet
- This project is complete and leased to Wayne State University, which operates the Mike Ilitch School of Business.

b. Little Caesars Headquarters (Little Caesars Global Resource Center):

- 2125 Woodward Avenue
- Project Specific Development Agreement with the DDA dated September 30, 2016, for a mixed-use development with 8 floors of offices over first floor retail; site development includes reconstruction of Columbia Street as a "Festival Street" including curbless street paving from the new Little Caesars Global Resource Center to the Fox Office Centre
- Approximately 234,000 square feet including approximately 24,000 square feet of retail space
- This project is complete subject to notices and punch list items, and is leased to leading global quick-service pizza operator Little Caesars as the sole office tenant and to local restaurants or retailers Union Assembly, Mom's Spaghetti, The M-Den, and Sahara Restaurant and Grill as ground-floor retail tenants, as well as Frita Batidos and Jo Jo's Shake Bar as tenants on the opposite side of Columbia Street as renovated pursuant to this development agreement.

c. Henry West Garage (renamed United Wholesale Mortgage Garage):

- 128 W. Fisher Service Drive
- Project Specific Development Agreement with the DDA dated September 30, 2016
- Mixed use retail/parking complex with approximately 7,000 to 8,000 square feet of retail space on the North side of the property along Henry and a 7 story above-grade parking structure with approximately 532 spaces. Project is designed to accommodate a possible residential or office component, which

- would be constructed above the retail podium, but this component is not part of the Accepted Development Plan
- The garage portion of this Project is complete and in operation as a public parking garage; the shell of the Henry Street retail portion of the project is constructed, and will be finished as retail space when a tenant leases the space

d. Building DE Residential:

- 120 Henry Street
- Project Specific Development Agreement with the DDA is dated December 19, 2017
- 4 story residential building to be constructed within a to-be-created air rights condominium unit above the existing one-story retail podium located within the CMA property, on the north side of Henry between Woodward and Cass, on the Arena site
- 153 residential units
- Olympia was to lease property to Arena Lofts 2016, LLC, which would obtain financing and construct the building
- The transaction between Olympia and Arena Lofts 2016, LLC (an entity controlled by American Community Developers) did not occur, and thus the condominium unit in which this project was to be constructed was never deeded to Olympia by the DDA.
- Olympia is exploring future development of this property and anticipates that this Project Specific Development Agreement will need to be amended to incorporate a new development plan.

e. Temple West Garage:

- 123 Temple Street
- Project Specific Development Agreement with the DDA dated December 19, 2017
- Mixed use parking/retail/residential complex with approximately 3,600 square feet of potential retail space on the North side of the property along Temple Street (the "Temple Street Retail") and a 7 story above-grade parking structure with approximately 730 spaces. Project is designed to accommodate residential and retail components, although, except for the Temple Street Retail, these components are not part of the Accepted Development Plan

- This garage portion of this project is complete and in operation as a public parking garage; the shell of the Temple Street retail portion of the project is constructed, and will be finished as retail space when a tenant leases the space

f. Google Office Space:

- 52 Henry Street
- Project Specific Development Agreement with the DDA dated December 20, 2017, and was amended on March 2, 2018, to change legal description following recordation of the Master Deed
- Two story office building above a one-story retail podium and a second floor with office space on the North side of Henry between Woodward Avenue and Cass, on the Arena site (Building C)
- Approximately 30,085 square feet
- This project is complete, and is leased to global technology company Google as the sole office tenant

g. 2715 Woodward Office Building:

- 2715 Woodward Avenue
- Project Specific Development Agreement with the DDA dated June 27, 2018
- Mixed Use development with 4 floors of office over first floor retail
- Approximately 110,000 square feet
- This project is complete and has signed leases with Michigan law firm Warner, Norcross + Judd and national consulting company Boston Consulting Group

h. Little Caesars Arena Hotel:

- 2455 Woodward Avenue (future address of "Hotel Block" located between Woodward Avenue to the east, Henry Street to the north, Park Avenue to the west, and W. Fisher Service Drive to the south)
- Project Specific Development Agreement with the DDA dated October 11, 2022

- Mixed use development consisting of an approximately 14-floor, 290-room hotel, and approximately 30,000 sf of hotel amenity and ground floor retail spaces
- Developer anticipates construction to commence in not later than Q3 2024, with completion anticipated thirty-six (36) months thereafter
- This Project has not yet commenced
- 3. <u>Concession Management Agreement Obligations</u>: Pursuant to that certain Amended and Restated Concession and Management Agreement by and among the DDA, Olympia Development of Michigan Events Center, LLC, and Detroit Red Wings, Inc., dated as of December 11, 2014, as further amended and assigned (the "CMA"), Olympia made the following commitments (terms used but not defined herein having their respective meanings in the CMA):

a. Commitment to Allow the DDA to Use the Events Center:

- Under Sections 11.3(b) and (c) of the CMA, Olympia committed to allow the DDA (subject to unavailability due to use reserved to Olympia or the Red Wings) the use of the Events Center for a civic, charitable, or cultural purpose which does not compete with any business of Olympia or the Red Wings or related person. The use by the DDA for the allowed events shall be pursuant to the requirements set forth in the subsection including but not limited to providing written notice ninety (90) days in advance of the DDA Event. Olympia shall provide the DDA a good faith estimate of managerial, operational, maintenance, utility and any other costs which will be incurred as a result of the DDA Event. The DDA is entitled to retain the net revenues from such events.
- While the DDA has not requested the use of the Events Center for a DDA Event, Olympia fully understands its obligations under these sections.

b. Commitment to Pay Security Costs:

- Under Section 12.2(d) of the CMA, Olympia committed to pay reasonable costs that are related to and germane to security both outside and inside the Events Center.
- Olympia has met this commitment by complying with its 2014 letter agreement regarding Arena security with the Detroit Police Department.

c. Commitment to Implement Workforce Participation Provisions:

- Under Section 22.1 of the CMA, Olympia committed to incorporate provisions requiring the Construction Contractor to implement and administer

business and workforce participation and outreach plan for involving Detroit Headquartered and Detroit-based businesses, and bona-fide City residents in the work to be performed and materials to be supplied in connection with the construction of the Events Center Project. Also included is the Apprentice Program under which Olympia committed to utilizing commercially reasonable efforts to develop a robust apprenticeship program by utilizing Greater Detroit unionized construction apprentice schools and other apprentice training groups to accomplish that end.

- Olympia implemented a workforce participation and outreach plan as negotiated with the DDA, in full compliance with the City's executive orders then in effect.

d. Commitment to Post-Construction Inclusion Plan and Employment Objectives:

- Under Section 22.2 of the CMA, Olympia committed to seek to maximize the opportunities to hire and promote Detroit residents and the purchase of goods, supplies and services from business located in Detroit or owned by Detroit residents in connection with ongoing operations of the Events Center. The provision estimates that there will be approximately 1,100 jobs at the Events Center. Olympia anticipated that the proportion of jobs filled by Detroit residents at the Events Center will be consistent with or greater than the number of jobs at the Joe Louis Arena. Olympia committed to use commercially reasonable efforts to recruit qualified Detroit residents to fill employee vacancies at the Event Center, provide internal and external development and training opportunities to prepare Detroit resident employees to qualify for promotional opportunities and ensure that Detroit-based and Detroit resident-owned businesses are given ample opportunities to bid on contracts for goods, supplies and services at the Event Center. Olympia also committed to using commercially reasonable efforts to recruit qualified Detroit residents or workforce programs such as Clean Detroit for ongoing maintenance activities at the Event Center as well as encourage its vendors to hire and use Detroit residents and businesses and provide special consideration to those who do so. The DDA has the option to request a meeting with Olympia to discuss its efforts and results under this Section of the CMA, and held such a meeting with Olympia in September 2019
- Olympia has met this commitment:
 - Prior to the opening of Little Caesars Arena, Olympia held several job fairs, attended by over 13,000 people, to maximize the opportunities for the hiring and promotion of Detroit residents for ongoing operations at Little Caesars Arena. These job fairs were supported by Detroit Employment Solutions Corporation.

- At the 2019 meeting, Olympia demonstrated to the DDA that:
 - As of March 2018, there were over 1,700 more jobs at Little Caesars Arena (3,918) than a year prior at Joe Louis Arena (2,141), and the percentage of Detroit residents performing such jobs (44%) exceeded the percentage of Detroit residents performing such jobs at Joe Louis Arena (28%).
 - Olympia had used commercially reasonable efforts to recruit qualified Detroit residents and once hired, provided on the job training so that such Detroiters could qualify for promotional opportunities. At such time, hiring resources included WSU Career Center, Wayne County Community College, Michigan Works centers, and Detroit Employment Solutions Corporation. In addition, all jobs were posted on the company web site.
 - Olympia encouraged its vendors, such as Delaware North, to hire and use Detroit residents and businesses.
 - Olympia had committed to ensure that Detroit-based businesses were given opportunities to bid on contract awards for goods, supplies and services at Little Caesars Arena, spending roughly \$40,000,000 procuring services and goods from Detroit-based businesses from 2017-2019.
- Olympia continues to meet its commitments under this section of the CMA:
 - As of January 2023, 48% of Arena jobs (3,168 total jobs) are performed by Detroit residents.
 - Olympia continues to use commercially reasonable efforts to recruit qualified Detroit residents and provide on the job training to facilitate promotions. Current hiring resources include Wayne State University Career Services Office; Wayne County Community College Career Services Office; Michigan Works!; Mariners Inn; Goodwill; College of Creative Studies; Focus Hope; Detroit Police Alumni; SERCO; City of Detroit Housing and Revitalization Department; Detroit at Work; Ford Resources; Detroit Green Carrot; and SER Metro. In addition, all jobs are posted on the company web site.
 - Olympia continues to encourage its vendors, such as Delaware North, to hire and use Detroit residents and businesses.

- Olympia continues to ensure that Detroit-based businesses are given opportunities to bid on contract awards for goods, supplies and services at Little Caesars Arena.
 - Fairway Packing Company
 - Del Bene Produce
 - o Brooks Lumber
 - The Professional Group
 - o Advanced Plumbing
 - Motor City Electric
 - Young Supply Co.
 - o Caniff Electric Co.
 - o Fred's Key Shop
 - o Banner Sign Co
 - o American Integrated Supply
 - Carhartt

e. Commitment to Community Development and Youth Programs:

- Under Section 23.1 of the CMA, Olympia committed to engage in community development and youth programs and outreach efforts within the City of Detroit designed to introduce Detroit youth to the game of hockey and/or sports and entertainment business or otherwise foster positive local change throughout the community. Olympia will provide to the DDA not more than one (1) time per calendar year a report summarizing such program undertaken in the previous calendar year and a description of the program anticipated to be undertaken in the current calendar year.
- Olympia, its subconcessionaires, affiliates and related entities, including Ilitch Charities, the Detroit Red Wings Foundation, and the Detroit Tigers Foundation, have met this commitment through many community programs including: Learn, Play, Score; Northwest Goldberg Cares Winter Wonderland Synthetic Ice Rink Grant; Little Caesars Arena Community Open Skates; Detroit PAL Baseball, including the Tiny Tigers Youth Baseball Program; Complimentary Tickets for Detroiters Program (Olympia delivered 56,000+ complimentary Tigers tickets in 2022 to Detroiters / Detroit-based organizations); The Detroit Red Wings Roand & Bicycle Safety Program; The #DetroitRoots Neighborhood Tour + Season-long Engagement; Fun At Bat: Summer Tour; Detroit Red Wings and Detroit Tigers Game Changers Series; Hometown Holiday Assist; Detroit Tigers and Detroit Red Wings player visits to Children's Hospital of Michigan, Michigan Veterans Foundation, John. D. Dingell VA Medical Center, and firehouses; Red Wings Play Zone at Children's Hospital of Michigan; Cass Technical High School Internship Program; Project Destined; Detroit Red Wings School Assembly Program; Little Caesars Arena blood drives: National Association of Black Journalists

Townhall; Cass Park Adoption Program; and Little Caesars Love Kitchen meal deliveries.

- Additionally, Olympia, its subconcessionaires, affiliates and related entities, including Ilitch Charities, the Detroit Red Wings Foundation, and the Detroit Tigers Foundation, have provided monetary support to a multitude of community organizations, including those set forth on Exhibit A attached to this memorandum.
- Lastly, Olympia, its subconcessionaires, affiliates and related entities, including Ilitch Charities, the Detroit Red Wings Foundation, and the Detroit Tigers Foundation, have provided in-kind donations to a multitude of community organizations, including those set forth on Exhibit B attached to this memorandum.

f. Commitment to Meet with Neighborhood Advisory Council:

- Under Section 23.2 of the CMA, Olympia committed to meet regularly with NAC on at least a quarterly basis for a minimum of two (2) years after the Commencement Date or five years from the NAC's formation, with the option to extend this period by mutual agreement of the City, the NAC and Olympia.
- Olympia met this commitment to meet with the NAC, which expired in 2019.

4. Additional Development:

Olympia expects that development momentum in The District Detroit will continue through the ten proposed developments that Olympia and its development partner, The Related Companies, have included within the Transformational Brownfield Plan currently under consideration.

Exhibit A Entities Receiving Financial Support

Alternative for Girls

American Red Cross Arthritis Foundation of Michigan Autism Alliance of Michigan

Belle Isle Conservancy

Beyond Basics

Big Brothers Big Sisters of Metropolitan Detroit Black Family Development

Boy Scouts of America Great Lakes FS

Council

Boys & Girls Club of Southeastern

Michigan

CATCH: Sparky Anderson's Charity for

Children

Child and Family Services
Children's Hospital of Michigan

Foundation

Children's Tumor Foundation
City of Detroit Motor City Makeover

City Year Detroit Clark Park Coalition

Coalition On Temporary Shelter (COTS)

College for Creative Studies

Community Foundation for Southeast

Michigan

Community Social Services

Crime Stoppers of Michigan Detroit Children's Choir Detroit Children's Fund

Detroit Concert for a Cure

Detroit Donates

Detroit Entertainment District

Association

Detroit Institute of Arts (DIA)

Detroit PAL

Detroit Public Safety Foundation

Detroit Public Schools Foundation Detroit Rescue Mission Ministries Detroit Sports Commission

Detroit Sports Media
Detroit Symphony Orchestra
Detroit Windsor Dance Academy
Detroit Youth Sports Commission

Detroit Zoological Society

Dignity Detroit
Fisher House Detroit
Forgotten Harvest

Franklin-Wright Settlements

Goodfellows Fund

Goodwill Industries of Greater Detroit Health Emergency Lifeline Programs

Humble Design

John D. Dingell VA Medical Center

IVS Detroit

Karmanos Cancer Institute

Kids on the Go

Latin Americans for Social and Economic Development

(LA SED)

Leukemia and Lymphoma Society

Light Up Detroit

Mack Alive March of Dimes

Marine Week Detroit

Mariners Inn

Michigan Black Chamber of Commerce

Michigan Fitness Foundation

Michigan High School Baseball Coaches Association

Michigan Jewish Sports Foundation Michigan Sports Hall of Fame

Michigan Veterans Foundation

Museum of Contemporary Art + Design (MOCAD)

NAACP

National Association of Black Journalists

National Business League

Neighborhood Service Organization (NSO) Old Newsboys' Goodfellow Fund of Detroit

Payne Pulliam School of Trade & Commerce

Pelotonia Cancer Research Rhonda Walker Foundation

S.A.Y. Detroit SER-Metro Detroit

St. Francis D'Assisi-St. Hedwig Parish Susan G. Komen (Pink Elevator)

The Children's Center
The EMG Foundation
The Parade Company

University Detroit Jesuit Scholarship Variety The Children's Charity

Volunteers of America Wayne State University Women of Tomorrow

Exhibit B List of Entities Receiving In-Kind Donations

A Place of Our Own Clubhouse

A.L. Holmes Academy of Blended Learning

Accounting Aid Society

Adams/Butzel Recreation Complex

Adopt-A-Park Program Adult Well Being Services Alpha Epsilon Phi Sorority

Alpha Kappa Alpha Foundation of Detroit

Alternatives For Girls

American Heart Association Walk American Human Rights Council

American Red Cross Amplify Christian Church Archdiocese of Detroit Arthritis Foundation Arts and Scraps

Autism Alliance of Michigan Ballet Folklorico De Detroit

Behavioral Health Professionals Inc.

Belle Isle Conservancy

Big Brothers Big Sisters of Metropolitan Detroit

Black Family Development, Inc.

BoATFE G.R.E.A.T (Gang Resistance Educ. &

Training)

Boy Scouts of America

Boys & Girls Club of SE Michigan

Boys Hope Girls Hope

Brazeal + Dennard Chorale Choir

Bridging Communities Brown Bag Kitchen Workers

Brush Park Manor

Bunche Elementary Prep Academy **Burton International School**

Cancer Awareness and Resource Network

Capuchin Soup Kitchen Carelton Elementary School Detroit Aint Violent Its Safe (DAVIS)

Detroit Area Pre-College Engineering Program Detroit Baseball Clinics through Ike Blessitt

Detroit Blight Busters Detroit Branch NAACP Detroit Bridge Unit

Detroit Catholic Pastoral Alliance

Detroit Central City CMH - Women's Trauma

Program

Caring Athletes Team for Children's and Henry Ford

Hospitals

Cass Community Social Services Inc

Cass Technical High School

CATCH: Sparky Anderson's Charity for Children

Catholic Youth Organization

Center For Success

Central City Integ Health - Adult Foster

Care/Employment Centria Autism Services Challenge Detroit **Charity Motors**

Charles H. Wright Museum of African American History

Children's Hospital of Michigan Foundation

Children's Leukemia Foundation Children's Miracle Network Christ Child House

Christ the King Parish

City of Detroit - Water & Sewage Department Security

Clark Park Coalition

Coalition on Temporary Shelter (COTS)

COBO - Office of Public Safety

Cody Rouge Community Action Alliance

Coleman A. Young Foundation College For Creative Studies

Commercial Real-Estate Women

Commerorative Air Force Red Tails Squadron

Communities of Hope

Community and Home Supports

Community Social Services Of Wayne County

Core Orchards Detroit

Corktown Development Corporation

Covenant House Michigan Creative Movement Brazil Crimestoppers of Michigan Crossroads of Michigan Detroit 300 Conservancy

Detroit SWIMS Detroit Vet Center

Detroit Wayne Mental Health Authority

Detroit Yacht Club Foundation Development Centers Detroit Disabled American Veterans

Dixon Educational Learning Academy

DMC Care Express

Detroit City Bikes

Detroit Collegiate Preparatory HS at

Northwestern

Detroit Community Health Connection, Inc.

Detroit Crime Commission Detroit Cristo Rey High School

Detroit Dog Rescue

Detroit Drug Enforcement Agency

Detroit Experience Factory

Detroit Fire Department - CR & PS

Headquarters

Detroit Goodfellows

Detroit Hispanic Development Corporation

Detroit Historical Society

Detroit Hope Clubhouse - Development Centers

Detroit Institute of Arts (DIA)

Detroit Labor Force

Detroit Leadership Academy Detroit Lions Foundation Detroit Merit Academy

Detroit Metropolitan Bar Association

Detroit PAL

Detroit Parent Network
Detroit Phoenix Center

Detroit Police Department - 12th Precinct -

Senior CG

Detroit Police Department - 4th Precinct Detroit Police Department - 7th Precinct Detroit Police Department - Central Business District

Detroit Police Department - Crime Scene

Services
Detroit Police Department - Downtown Tactical

Ops

Detroit Police Department - RSA

Detroit Police Department - Special Victims

Unit

Detroit Police Department - Traffic Division

Detroit Police Department Academy

Detroit Prep

Detroit Public Safety Foundation

Detroit Public Schools Community District

Detroit Recreation Center

Detroit Rescue Mission Ministries Detroit Riverfront Conservancy Detroit Sports Commission Detroit Sports Media Detroit Sports Zone, Inc. Don Bosco Hall

Dove Academy Of Detroit

Down Syndrome Guild of SE Michigan

Downtown Boxing Gym

Downtown Detroit Partnership Earhart Elementary & Middle School

Eastern Market Edison Elementary

Elizabeth Glaser Pediatric AIDS

Epiphany Education Center Escuela Avancemos Academy

Families on the Move

Focus: HOPE Forgotten Harvest

Franklin-Wright Settlements Free Legal Aid Clinic, Inc.

Friends for Animal of Metro Detroit

G.E.A.R. Services Detroit

Galilee Missionary Baptist Church Men's

Ministry

GE Funding - Detroit Martial Arts Institute

LS

Girl Scouts of Southeastern MI Gleaners Community Food Bank

Gompers Elementary

Goodwill Industries of Greater Detroit Great Lakes Field Service Council

Greater Grace Temple

Greenfield Elementary PTA

Greenhouse Apartments Group

Hartford Nursing and Rehabilitation

Center

Health Emergency Lifeline Programs

(HELP)

Henry Ford Academy School for Creative

Studies

Henry Ford Health System - Detroit

Holy Redeemer Grade School

Holy Trinity Church

Homes For Black Children

HUDA Clinic Humble Design Inner City Clubhouse

Jalen Rose Leadership Academy John D. Dingell VA Medical Center John R. King Academic Performing Arts

Center

JVS Human Services Detroit Karmanos Cancer Institute Keeping Kids in the Game Kids Without Cancer Know Thyself Foundation Latino Family Services Let's Go Detroit

Leukemia & Lymphoma Society

Life Challenge Ministries

Life Directions Life Remodeled LifeBUILDERS

Lions Hearing Center of Michigan

Loyola High School Lupus Detroit

Majik Touch Dance Company

Mariners Inn

Mark Murray Elementary

Martin Evans Missionary Baptist Church

Martin Luther King Jr. School

Marygrove College Matrix Human Services

MCEDSV

Mercy Education Project

Metropolitan Detroit Center for Independent

Living

Metropolitan United Methodist Church Michael Lee Searcy Community Development

Center

Michelle Obama Tour Michigan Anti-Cruelty Society

Michigan Black Chamber of Commerce

Michigan Career Days

Michigan Coalition for Human Rights

Michigan Humane Society

Michigan Medicare Medicaid Assistance/DAAoA

Michigan Opera Theatre

Michigan Psychoanalytic Foundation

Michigan Roundtable for Diversity and Inclusion Michigan Tech: Detroit Chapter Scholarship

Michigan Thanksgiving Day Parade Michigan Veterans Foundation

Michigan Women's Foundation

Midnight Golf Program Minds Matter of Detroit, Inc.

Mittens for Detroit Most Holy Trinity School Motor City Bulldogs 8U MotorCity Makeover

Mt. Carmel Missionary Baptist Church

National Black MBA Association National Business League

Neighborhood Service Organization (NSO) New Bright Star Missionary Baptist Church New Galilee Missionary Baptist Church New Jerusalem Missionary Baptist Church

No Child without a Christmas Northeast Guidance Center Old St. Mary's Catholic Church Orchard's Childrens Services Parade Company Thanksgiving Day Penrickton School for the Blind

People for Palmer Park Pepsico Foundation

Playworks

Plymouth United Church of Christ

Pope Francis Center Project Homeless Connect

Province of St. Joseph of the Capuchin Soup

Kitchen

Raices Mexicanasa De Detroit

Read to a Child, Inc. Rebel Nell (TEA)

Restoration Fellowship Tabernacle

Revive Detroit CD Corporation- Cody Rouge

Rhonda Walker Foundation

RIM Foundation

Robert Mathog Lions Hearing Centers

Robert R. Frank Student-Run Free Clinic

Rock CF Foundation

Ronald McDonald House Detroit

Ross Initiative in Sports for Equality (RISE)

Ruth Ellis S.A.Y. Detroit

Sacred Heart Seminary SER Metro Detroit

SHAR Rehabilitation Center

Sheffield Manor Nursing and Rehab Center

SMASH Scholars

Society of St. Vincent de Paul

Southeast Michigan Adult Rehabilitation

Center

Southern Style Care Southwest Aztecs

Southwest Detroit Business Association Southwest Detroit Environmental Vision

Spain Elementary School Spectrum Human Services Sphinx Organization St Dominic Outreach Center National Association of Black Journalists

St. Francis D'Assisi-St. Hedwig Parish

St. John Hospital Foundation

St. John's Episcopal Church

St. Joseph Roman Catholic Church

St. Paul of the Cross Passionist Retreat Center

St. Vincent and Sarah Fisher Center

Ste. Anne Parish de Detroit

Summer in the City The Avalon Village

The Beaumont Foundation

The Boggs Educational Center Project Team

The Children's Center

Community Health & Social Services Center - La

Vida

The Detroit Regional LGBT Chamber of Commerce

The Greening of Detroit

The Heat and Warmth Fund (THAW)

The Mattie H. Ware Community Fund

The Natural Momma Me Initiative

The Parade Company

The Salvation Army - Adult Rehabilitation Center

The Salvation Army - William Booth Legal Aid

Clinic

Third New Hope Baptist Church

Thriveology

Thurgood Marshall Elementary School

Tiger Sharks Swim Team of Detroit

Tour De Troit

Toys for Tots

Triumph Church

Tux and Chucks

U.S. Citizenship and Immigration Services

UCP Detroit

United Way for Southeastern Michigan

University of Dayton - Detroit Alumni Chapter

University of Detroit Jesuit High School and

Academy

University of Detroit Mercy

Urban Link Village

US Coast Guard - Sector Detroit

Vernor Elementary School

Vet Center - Detroit

Victory Fellowship Missionary Baptist Church

Volunteers of America

Voyageaur Academy

Warren Plaza Apartments Senior Group

Wayne Children's Healthcare Access Program

Wayne County Airport Authority

St. Elizabeth Catholic Church

Wayne County Medical Society Foundation

Wayne County Sheriff

Wayne County Sheriff - Reserve Division

Wayne Metro Community Action Agency

Wayne State Medical Alumni Association

Wayne State University - Athletic Department Wayne State University - Community Health

Pipeline

Wayne State University - High Program

Wayne State University - Kinesiology, Health and

Sports

Wayne State University - Mike Ilitch School of

Business

Wayne State University - Police Department

Wayne State University - School of Medicine

Wayne State University - Sports Management

Wayne State University - Student Veterans

Wayne State University - Youth Baseball Camp

Wayne State University School of Medicine

Whitman Elementary School

William Booth Legal Aid Clinic

Woodbridge Neighborhood Development

Woodside Bible Church Detroit

YMCA of Metropolitan Detroit